

**MINUTES FROM THE
CITY OF IONIA
CITY COUNCIL
REGULAR MEETING
Tuesday, June 5, 2007
7:00 PM, CITY HALL COUNCIL CHAMBERS**

- I.** Mayor Balice called the meeting to order and led with the Pledge of Allegiance.
- II. ROLL CALL** – Present: Mayor Dan Balice, Councilmembers Gordon Kelley, Monica Miller, Kim Patrick, Brenda Cowling-Cronk, and Bob O'Mara. Bruce Roetman arrived at 7:05 p.m. Excused: Jim Smith. Absent: Jeff Winters.
Others Present: Matt Painter, Dave Cook, Lynn Lafler, Dawn Ketchum, Chris Kenyon, Robin Marhofer, Gary Cunningham, and Jason Eppler.
- III. OPEN PUBLIC HEARING:**

Fiscal year 2007-2008 Budget, Millage and Capital Improvement Plan
Amendment to City Code – Ordinance No. 451 – Water and Sewer Rates
- IV. PUBLIC COMMENTS:**

Marilyn Webster read a letter from Biggs & Houserman regarding the library's financial status. Is the library board required to release all financial information?
- V. MONITORING INFORMATION:** Motion by Patrick and Supported by O'Mara
1. Approve the minutes from the Regular City Council Meeting of May 1, 2007.
 2. Acknowledge the minutes from the Planning Commission meeting of May 9, 2007.
 3. Acknowledge the minutes from the DDA meeting of May 16, 2007.
 4. Approve the payroll for the pay period ending May 2, 2007 of \$114,611.35 and the pay period ending May 16, 2007 of \$111,797.86 and the pay period ending May 30, 2007 of \$110,962.39.
 5. Acknowledge the Accounts payable for the Ionia Theatre for may 2007 in the amount of \$82,195.58.
 6. Acknowledge the Accounts payable for the DDA for May 2007 in the amount of \$18,730.16.
 7. Approve the Accounts Payable for the City of Ionia for May 2007 in the amount of \$342,258.29.
- ROLL CALL VOTE:** Ayes: Kelley, Miller, Balice, Patrick, Cowling-Cronk, O'Mara. Nays: None.
Motion Carried.
- VI. CLOSE PUBLIC HEARING:**

Fiscal Year 2007-2008 Budget, Millage and Capital Improvement Plan
Amendment to City Code – Ordinance No. 451 – Water and Sewer Rates
- VII. BUSINESS ITEMS:**
1. **Amendment to City Code – Ordinance No. 451 – Water and Sewer Rates**

Motion by Balice and Supported by Miller to remove from the table the matter of Ordinance No. 451 and permit the record of the June 5, 2007 meeting to reflect the second reading and adoption of Ordinance No. 451, an ordinance to revise water and sewer utility charges, with the ordinance effective upon publication in the June 10, 2007 edition of the *Sentinel-Standard Weekender*.

**CITY OF IONIA
Ordinance No. 451**

**AN ORDINANCE TO AMEND SECTION 214.05(c)(2) OF THE CODIFIED ORDINANCES OF THE CITY
OF IONIA REGARDING FEES IN THE STREETS, UTILITIES AND PUBLIC SERVICES CODE**

THE CITY OF IONIA ORDAINS:

Section 214.05 FEES IN THE STREETS, UTILITIES AND PUBLIC SERVICES CODE is amended to read as follows:

214.05 FEES IN THE STREETS, UTILITIES AND PUBLIC SERVICES CODE.

(c) Water and Sewer Rates and Charges. Water and sewer rates and charges, as provided for in Section 1044.03 and 1044.04, are as follows:

(2) Water rates.

A. Facilities maintenance charges:

000 to 100,000 gallons	- 1 REU	-	\$9.75/qtr	<u>\$11.25/qtr</u>
100,000 gal. to 300,000 gallons	- 5 REU	-	\$48.75/qtr	<u>\$56.25/qtr</u>
300,000 gal. to 1 mill. gallons	-13 REU	-	\$126.75/qtr	<u>\$146.25/qtr</u>
1 mill. gal. to 2 mill. gallons	-45 REU	-	\$438.75/qtr	<u>\$506.25/qtr</u>
2 mill. gal. to 10 mill. gallons	-90 REU	-	\$877.50/qtr	<u>\$1,012.50/qtr</u>
10 mill. gallons +	-usage divided by 22,000 gallons x \$9.75 <u>\$11.25</u> /qtr/REU charge with max. fee of \$8,775.00 <u>\$10,125</u>			

B. Commodity rate:

\$1.85 ~~\$1.75~~ per thousand metered gallons

C. Fire sprinkler standby fee - \$2,000 = the yearly fee which can be applied in one payment or divided into quarterly payments.

(3) Sewer rates.

A. Facilities maintenance charges:

000 to 100,000 gallons	-1 REU	-	\$27.00/qtr	<u>\$30.00/qtr</u>
100,000 gal. to 1 mill. gallons	-5 REU	-	\$135.00/qtr	<u>\$150.00/qtr</u>
1 mill. gal. to 2 mill. gallons	- 45 REU	-	\$1,215.00/qtr	<u>\$1,350.00/qtr</u>
2 mill. gal. to 4 mill. gallons	- 90 REU	-	\$2,430.00/qtr	<u>\$2,700.00/qtr</u>
4 mill. gal. to 8 mill. gallons	-180 REU	-	\$4,860.00/qtr	<u>\$5,400.00/qtr</u>
8 mill. gal. to 10 mill. gallons	-360 REU	-	\$9,720.00/qtr	<u>\$10,800.00/qtr</u>
10 mill. gal. +	- (usage divided by 22,000) x \$27.00/qtr <u>\$30.00</u> =cost			

B. Commodity rate:

\$2.85 ~~\$2.75~~ per thousand metered gallons

ROLL CALL VOTE: Ayes: Miller, Balice, Patrick, Roetman, Cowling-Cronk, O'Mara, Kelley. Nays: None.
Motion Carried.

2. Adoption to FY 07-08 Budget Resolution

Motion by Roetman and Supported by Patrick to approve a prepared Resolution adopting the FY07-08 budget for all City funds, setting the millage rates to support said budgets and approving the Capital Improvement Plan as an illustrative list of future City projects.

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF IONIA ADOPTING THE FISCAL YEAR 2007-2008 BUDGET FOR ALL CITY FUNDS AND SETTING THE MILLAGE RATE TO SUPPORT SAID BUDGET

BE IT RESOLVED that the proposed 2007-2008 Fiscal Year Budget be adopted and that commencing July 1, 2007 and ending June 30, 2008, the following revenues and expenditures are hereby appropriated on a government fund basis.

BE IT FURTHER RESOLVED that the estimated revenues and expenditures for Fiscal Year 2007-2008 are as follows:

	Revenues	Expenditures
	<u>Major Operating Funds</u>	
General Fund	\$3,887,000	\$3,875,990
Major Street Fund	\$534,500	\$532,435
Local Street Fund	\$291,000	\$290,860
Solid Waste Fund	\$435,000	\$435,000
Downtown Development Authority Fund	\$1,122,750	\$1,122,750
Recreation Fund	\$269,450	\$274,875
Theatre Fund	\$440,400	\$464,400
Dial-A-Ride Fund	\$910,366	\$959,005
Sewer Fund	\$2,760,000	\$3,069,285
Water Fund	\$2,620,860	\$2,879,390
Sewage Disposal System Fund	\$1,824,855	\$1,824,855
Central Garage Fund/DPW Fund	\$911,500	\$904,966
	<u>Capital/Debt Service Funds</u>	
Sidewalk Project Fund	\$24,750	\$24,750
Environmental Fund	\$298,400	\$306,262
Capital Projects Fund	\$1,694,500	\$1,694,500
Brownfield Development Fund	\$31,634	\$31,634
Industrial Park Fund	\$18,900	\$18,900
Drug Forfeiture Fund	\$1,100	\$2,000
Public Safety Special Donations Fund	\$2,000	\$1,000
Skyview/Gregmark Debt Service Fund	\$119,300	\$119,300
Building Authority Debt Service Fund	\$128,275	\$128,275
Sidewalk Debt Service Fund	\$61,200	\$61,200
TOTAL	\$18,387,740	\$19,021,632

The ability to meet all expenditures shall be from available surplus in each fund.

BE IT FURTHER RESOLVED in order to meet the operational requirements of the below referenced funds that all of the following millage rates be approved but for the Public Safety Equipment Special Assessment Millage:

FUND	PURPOSE	MILLAGE
General Fund	General Operating	3.00 mills*
Solid Waste Fund	Solid Waste Disposal	1.70 mills**
Public Safety	Special Assessment – Equip	1.20 mills*****
Environmental Response	Operating	.85 mills****
Environmental Bond Fund	Debt Service	.70 mills***
Dial-A-Ride	Public Transportation	.7492 mills*
	TOTAL	8.1992 mills

* Authorized by the City Charter

** Authorized by Ordinance No. 437 of the City Code

*** Authorized by the voters through Special Election
**** Authorized by Ordinance No. 440 of the City Code
***** Authorized by Public Act 33 of 1951

BE IT FURTHER RESOLVED that the City Council hereby expresses its intent to levy a 1.20 mill Public Safety Equipment Special Assessment Millage to be set later in the fiscal year in the event that a supplemental appropriation is not received from the State of Michigan for providing fire protection to State owned facilities located in the City, said recommendation from Staff on the levying of the special assessment millage shall be provided to the City Council at the September 2007 Council meeting; and,

BE IT FURTHER RESOLVED that 2.00 mills shall be levied against all real and personal property located in the Downtown Development District for the purpose of offsetting the expenses associated with operating the Downtown Development Authority and financing improvements within the District; and,

BE IT FURTHER RESOLVED that the Capital Improvement Plan proposed as part of the Fiscal Year 2007-2008 budget is hereby approved as an illustrative list of possible future City projects.

ROLL CALL VOTE: Ayes: Balice, Patrick, Roetman, Cowling-Cronk, O'Mara, Kelley, Miller. Nays: None. Motion Carried.

3. Adjust Non-Union Health Insurance Contributions FY 07-08 thru FY 09-10 – Amendment to Personnel Policy No. 350

Motion by Patrick and Supported by Kelley to adopt an updated Personnel Policy No. 350 entitled Insurance Programs to be effective July 1, 2007.

INSURANCE PROGRAMS

I. PURPOSE

To summarize group insurance and other insurance programs the City offers.

II. SCOPE

This policy applies to eligible employees of the City (in most instances non-union employees).

III. POLICY

The City provides a comprehensive group health program for regular, full-time employees. The City also provides insurance programs as mandated by State and Federal regulations for all employees.

The following are brief summaries of these programs; contact the Finance Department for more information.

- A. Group Insurances. The City offers hospitalization, dental, vision, life, and accidental death and dismemberment insurances to regular, full-time employees. Hospitalization insurance is currently written by Priority Health. Dental and vision insurance is currently written by Delta. Life insurance (currently at \$40,000 per employee with a double indemnity clause) and accidental death and dismemberment insurances are currently written by Lincoln Financial. The benefit levels are determined by the City from time to time.

Considering the cost of providing insurances, especially hospitalization insurance, eligible employees (non-union) are required to make contributions towards the cost of the insurances in accordance with the following schedule:

	7/07-6/08	7/08-6/09	7/09-6/10
Single/Month	\$30	\$35	\$40
Single Annually	\$360	\$420	\$480
2-Person/Month	\$60	\$70	\$80
2-Person/Annually	\$720	\$840	\$960
Family/Month	\$75	\$90	\$100
Family/Annually	\$900	\$1,080	\$1,200

- B. Social Security. The Federal Social Security Act covers all employees. A required percentage of an employee's salary is deducted to pay the employee's portion of this protection, and the City matches this deduction dollar for dollar. This plan was designed for an employee's future security and that of his or her dependents by providing retirement, disability, death survivor and Medicare benefits.
- C. State Unemployment Insurance. This program is funded entirely by employers in this State. The program provides weekly benefits to employees who become unemployed through no fault of their own circumstances described in the law.
- D. Workers' Compensation. The City carries insurance to cover the cost of work-incurred injury or illness. Benefits help pay for an employee's medical treatment and for part of the income lost while recovering. Specific benefits are prescribed by law depending on the circumstances in each case. To be assured of maximum coverage, all work-related accidents must be reported immediately to supervisors and the Finance Department so the City can file a claim in a timely manner.

It is the policy of the City to attempt to return employees to work for the City as soon as possible. Every effort will be made to provide "light duty" work if possible. On occasion certain injuries, time of year and other such mitigating circumstances may preclude a return to work on light duty. It is the desire of the City to minimize absences for work so as to protect the City's interest and also the employee's for full recovery.

- E. Deferred Compensation. Beginning April 1, 1994, the City shall contribute 3% per year of each full-time employee's base salary to a deferred compensation plan. The City has relationships with several investment companies from which the employee may select which company to utilize to manage his or her investment. Such contribution shall become the employee's to utilize for retirement insurance coverage or such other eligible retirement related purposes. The City does not provide post-retirement insurance benefits, however, the employee may subscribe through the City for insurance benefits at his or her expense.

Duplication of Benefits. An employee who is entitled to health care benefits under any employee insurance plan or employee self-insurance plan which provides coverages similar to benefits provided in this policy shall not duplicate such benefits through the City. The employee shall receive \$1,500 in lieu of duplicative benefits. This amount shall be paid to each employee in installments of \$375 each on or about October 1, 2006, November 1, 2006 and December 1, 2006. If an employee needs to resume receiving coverages through the City due to loss of insurance between renewal periods, the employee shall be pay the cost for re-enrollment, if any.

ROLL CALL VOTE: Ayes: Patrick, Roetman, Cowling-Cronk, O'Mara, Kelley, Miller, Balice. Nays: None. Motion Carried.

4. Hog Rally Fireworks Permit

Motion by Miller and Supported by Roetman to grant a fireworks display permit to the Michigan Harley Davidson Dealers Association for fireworks displays as part of the 2007 HOG Rally on July 4th, July 5th and July 7th and authorize the City manager to sign the permit.

ROLL CALL VOTE: Ayes: Roetman, Cowling-Cronk, O'Mara, Kelley, Miller, Balice, Patrick. Nays: None. Motion Carried.

5. Confirm Appointment of Dial-A-Ride Director and Approve Employment Agreement

Motion by Balice and Supported by Patrick to confirm the City Manager's appointment of Dawn Ketchum as Director of Public Transportation (Dial-A-Ride Director) and approve and authorize the City manager to sign the Employment Contract between the City and Dawn Ketchum.

ROLL CALL VOTE: Ayes: Cowling-Cronk, O'Mara, Kelley, Miller, Balice, Patrick, Roetman. Nays: None. Motion Carried.

6. Purchase of Public Safety Vehicles

Motion by Roetman and Supported by Miller to authorize the City Manager to purchase one 2008 Ford Crown Victoria Police Interceptor from Signature Ford, Perry, Michigan at a cost not to exceed \$21,077 per the bid dated May 16, 2007.

Motion by Roetman and Supported by Miller to authorize the City Manager to purchase one 2008 Ford Taurus SEL from Ionia Ford, Ionia, Michigan at a cost not to exceed \$19,009.30 per the bid dated May 24, 2007.

Motion by Roetman and Supported by Miller to declare one 1999 Ford Taurus and one 2003 Ford Crown Victoria Police Interceptor surplus property and authorize the City Manager to sell both vehicles through a competitive bid or auction process to the highest bidder.

ROLL CALL VOTE: Ayes: O'Mara, Kelley, Miller, Balice, Roetman, Cowling-Cronk. Nays: Patrick. Motion Carried.

7. FY 06-07 Budget Amendments

Motion by Balice and Supported by Patrick to approve year end budget amendments dated June 2007 and authorize the City Treasurer to make the necessary adjustments to the city's financial reports.

ROLL CALL VOTE: Ayes: Kelley, Miller, Balice, Patrick, Roetman, Cowling-Cronk, O'Mara. Nays: None. Motion Carried.

8. Appointments

Motion by Roetman and Supported by Kelley to confirm Mayor Balice's appointment of Brian Talbot, 242 Oakwood Court, to the City of Ionia Downtown Development Authority Board of Director's for a term to expire December 31, 2009.

ROLL CALL VOTE: All in favor via voice vote. Motion Carried.

9. Refuse Collection Agreement Extension

Motion by Kelley and Supported by O'Mara to approve the Refuse Collection Agreement Extension between the City and Granger Waste Services and authorize the City Manager to sign the extension on behalf of the City.

EXTENSION OF REFUSE COLLECTION AGREEMENT BETWEEN THE CITY OF IONIA AND GRANGER WASTE SERVICES

THIS IS AN AMENDMENT of the Refuse Collection agreement (the "Agreement") dated September 2002, as previously amended on November 7, 2004, by and between the City of Ionia, a Michigan Municipal Corporation (the "City") by its undersigned, authorized official, and Granger Waste Services, a Michigan Corporation (the "Corporation") and is to extend the term of this Agreement until June 30, 2008.

All other terms and conditions of the Agreement remain in effect.

ROLL CALL VOTE: Ayes: Miller, Balice, Patrick, Roetman, Cowling-Cronk, O'Mara, Kelley. Nays: None. Motion Carried.

10. Executive Session – Discuss Strategy Associated with Collective Bargaining

Motion by Balice and Supported by Kelley to enter into Executive Session at 8:15 pm for the purpose of discussing strategies associated with Collective Bargaining.

ROLL CALL VOTE: All in favor via voice vote. Motion Carried.

Motion by Balice and Supported by Miller to return to Open Session at 9:32 pm.

ROLL CALL VOTE: All in favor via voice vote. Motion Carried.

Motion by Balice and Supported by Patrick to authorize the City Manager to sign a Collective Bargaining Agreement with the Union representing the City's Public Safety Officers consistent with the terms and conditions discussed by Council in Executive Session.

ROLL CALL VOTE: Ayes: Kelley, Miller, Balice, Patrick, Roetman, Cowling-Cronk, O'Mara. Nays: None. Motion Carried.

Mayor Balice requested that the City Manager distribute copies of the Agreement to Council once fully executed.

VIII. INCIDENTAL INFORMATION

Councilmembers to approve accounts payables for June 21, 2007 are O'Mara and/or Miller and for July 5, 2007 are Winters and/or Kelley and for July 19, 2007 are Smith and/or Patrick.

IX. INFORMATION OR ACTION ON LEGAL MATTERS – Nothing to report.

X. INFORMATION FROM MAYOR AND CITY COUNCIL

Balice: Congratulated the graduating seniors.

O'Mara: Inquired on work to be done on Pearl Street. Eppler informed O'Mara the street is scheduled to be worked on in 2008.

Roetman: Encouraged students to be aware of motorcyclists when driving vehicles.

Patrick: Stated the City was well represented on Memorial Day and encouraged someone to plan a parade – there was good attendance and more coverage should be given.

Miller: Sad to see Lynn Lafler retiring from Dial-A-Ride but glad to see Dawn given this opportunity, however sad to see her leave the Chambers.

Kelley: Acknowledged two exchange students present at the Council Meeting and their departure to their home country in the near future.

XI. ADJOURN

Motion by O'Mara and Supported by Cowling-Cronk to adjourn at 9:34 p.m. All in favor via voice vote. Motion Carried.

Submitted by:

Karen M. Confer
City Clerk